

BALLOT TITLE AND SUMMARY

CIGARETTE TAX TO FUND HEALTHCARE, TOBACCO USE PREVENTION, RESEARCH, AND LAW ENFORCEMENT. INITIATIVE CONSTITUTIONAL AMENDMENT AND STATUTE.

- Increases cigarette tax by \$2.00 per pack, with equivalent increase on other tobacco products and electronic cigarettes containing nicotine.
- Allocates revenues primarily to increase funding for existing healthcare programs; also for tobacco use prevention/control programs, tobacco-related disease research and law enforcement, University of California physician training, dental disease prevention programs, and administration. Excludes these revenues from Proposition 98 funding requirements.
- If tax causes decreased tobacco consumption, transfers tax revenues to offset decreases to existing tobacco-funded programs and sales tax revenues.
- Requires biennial audit.

Summary of Legislative Analyst's Estimate of Net State and Local Government Fiscal Impact:

- Increased net state revenue of \$1 billion to \$1.4 billion in 2017-18, with potentially lower annual revenues over time. These funds would be allocated to a variety of specific purposes, with most of the monies used to augment spending on health care for low-income Californians.

SUBJECT TO COURT
ORDERED CHANGES